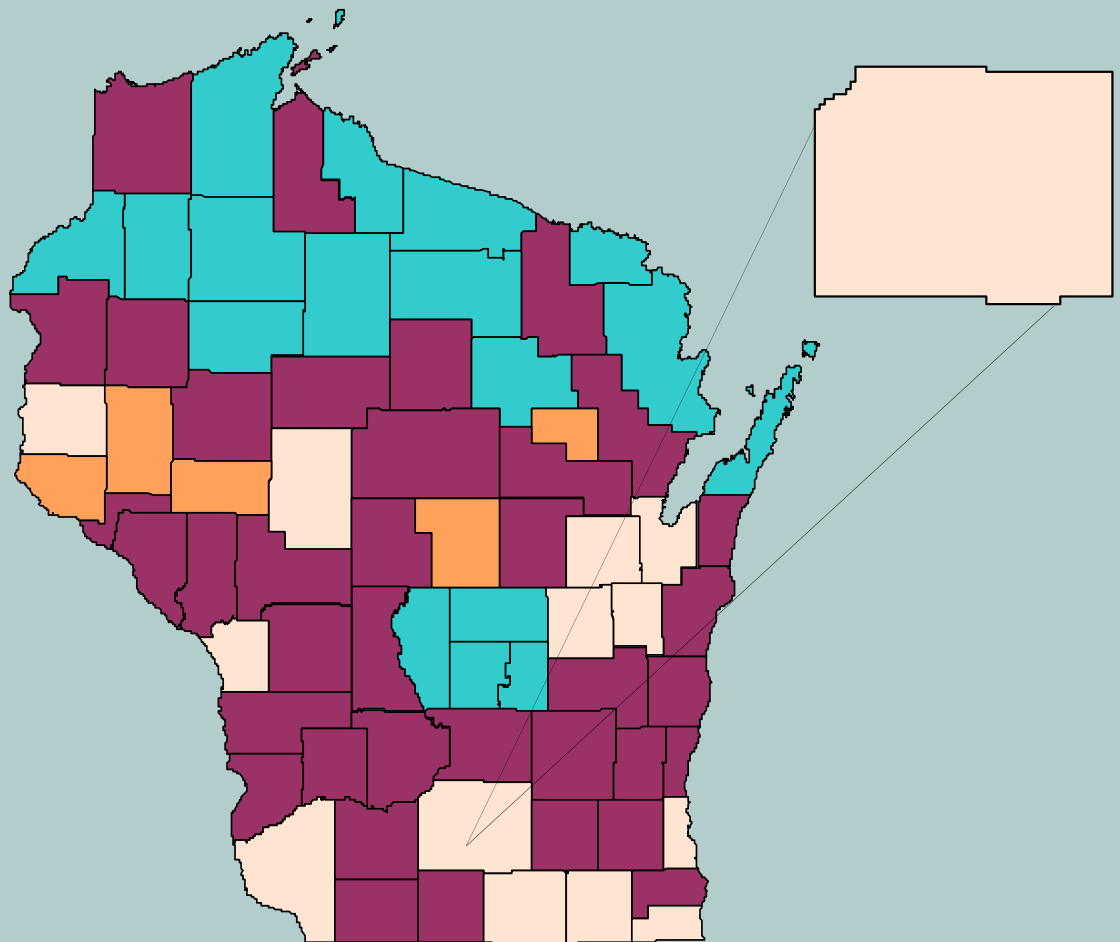


# Dane County Workforce Profile

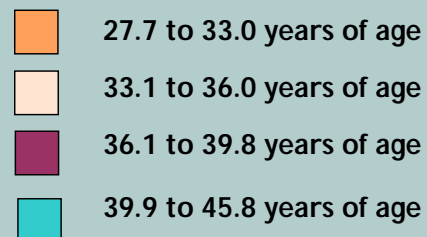
Median Age by County, 2000



Your complete  
guide to the  
state of the  
labor force of  
today and a  
glimpse into  
the economy of  
tomorrow.



State of Wisconsin  
Department of Workforce Development  
October 2002



Source: Census 2000 of the United States



## County Population

Comparing the April 2000 Census to the January 2001 population estimate, Dane County grew by nearly 5,300 people or 1.2 percent, appreciably faster than Wisconsin (0.7%) or the United States (0.7%). The county's ten largest municipalities are listed below. Between 2000 and 2001, they accounted for 80 percent of its population growth.

The 2000 Census reported that 401,058 of Dane County's residents were at least 5 years old. And estimated that, 46 percent of these people had lived in the same house in 1995. The comparable figure for Wisconsin was nearly 57 percent. Nearly 30 percent of the county's residents had lived elsewhere within Dane County (compared to a statewide average of 24.6 percent). About 10.8 percent of the local population had lived in another Wisconsin county in 1995, similar to the statewide figure of 11 percent in-state migration. Roughly 6.7 percent of Wisconsin's residents and 10.5 percent of Dane County residents had lived in another state in 1995. Dane County's highly mobile student population affects housing habits rather dramatically.

Many of the people moving to Wisconsin from other states (or moving within Wisconsin) are following affordable retirement or vacation homes. People coming to Dane County from other states or

other Wisconsin counties are probably following education, employment or metropolitan amenities. The 2.9 percent of Dane County residents who lived in other countries in 1995 probably have more education credentials than the 1.3 percent of Wisconsin's residents who lived in other countries in 1995.

The Wisconsin Department of Administration estimates that Dane County's net migration (people moving in minus people moving out) accounted for roughly 57 percent of population growth between 2000 and 2001. Meanwhile, natural increase (births minus deaths) accounted for roughly 43 percent. No other Wisconsin county gained more people and Milwaukee was the only more populous county. None of the adjacent counties had population growth more balanced between natural growth and net migration; they relied on net migration for two-thirds to three-fifths of their population growth.

High wages (see pages 7 and 9) would seem to promote high levels of in-migration, and the people who move to Dane County are in age groups where people tend to have children. Also linked to in-migration was the 22 percent increase in the number of housing units between the 1990 Census and the 2000 Census. (This was more than one-and-a-half times the statewide rate of 12.9 percent.)

### Total Population

	2000 Census	January 1, 2001 Estimate	Percent change
United States	281,421,906	283,474,000	0.7%
Wisconsin	5,363,675	5,400,449	0.7%
Dane County	426,526	431,815	1.2%

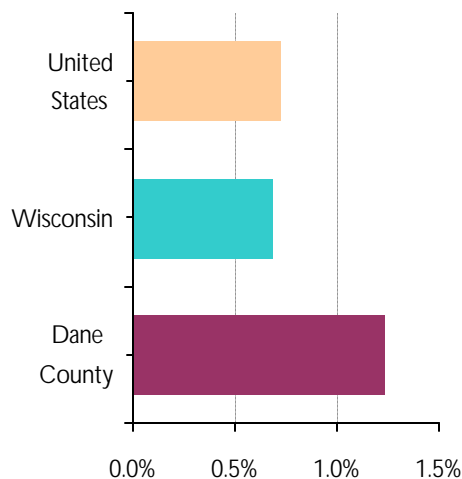
### Ten Largest Municipalities

Madison, City	208,054	210,377	1.1%
Sun Prairie, City	20,369	21,013	3.2%
Fitchburg, City	20,501	20,815	1.5%
Middleton, City	15,770	15,897	0.8%
Stoughton, City	12,354	12,433	0.6%
Waunakee, Village	8,995	9,165	1.9%
Monona, City	8,018	8,012	-0.1%
Oregon, Village	7,514	7,556	0.6%
Verona, City	7,052	7,502	6.4%
De Forest, Village	7,368	7,475	1.5%

\* Dane portion only

Source: Wisconsin Department of Administration, Demographic Services, 2002

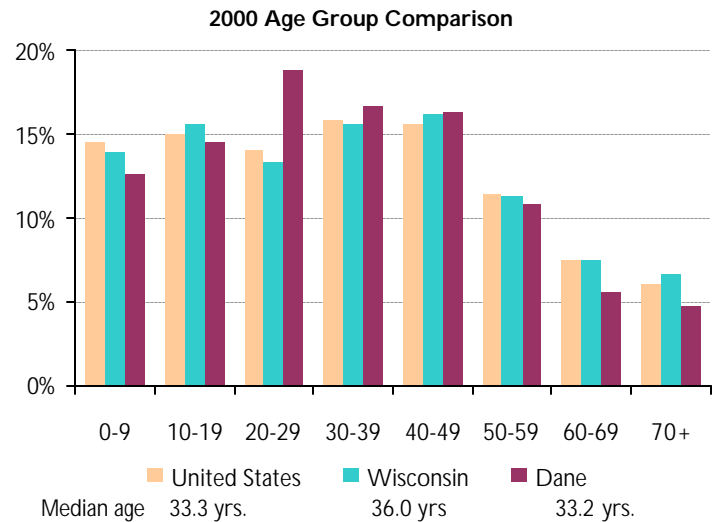
### Population Growth 2000-2001





After examining the sources and geographic distribution of Dane County's population, it is also interesting to inquire into the age distribution of the local population. The graph to the right represents this distribution by using one bar to show what proportion of total population each age group accounts for.

Comparing Dane County to the state and the nation, the relative dearth of people aged nine and under and people between ten and nineteen years old gives way to an explosion of people 20 to 29 years old. Many of these people come for school, a first job or metropolitan amenities, but do not appear to stay for life. The 1970 Census reported 63,521 Dane County residents aged 20 to 29, the 1980 Census reported 50,395 residents aged 30 to 39, the 1990 census reported 47,228 residents aged 40 to 49 and the 2000 Census reported 45,254 residents aged 50 to 59. While some of the decrease was due to natural attrition, the dearth of people aged sixty and over (relative to national trends) suggests that other factors are at work. Perhaps lower housing costs attract retirees to other counties in spite of Dane County's outstanding health care offerings.

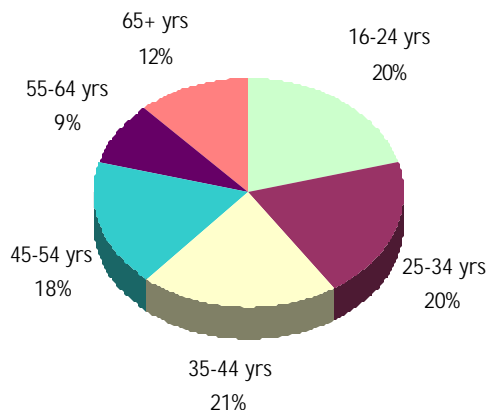


Source: US Department of Commerce, Census Bureau, *Census 2000*

The flood of 20- to 29-year-olds pulls down Dane County's median age considerably, to 33.2 years. Although this is well below Wisconsin's median age of 36.0 years, it is scarcely below the nation's median age of 33.3 years. Madison's student population in particular pulled its median age down to 30.6 years, which was considerably lower than the City of Middleton's (36.2 years), the City of Stoughton's (35.2 years), the City of Monona's (41.3 years) or the City of Verona's (36.5 years).

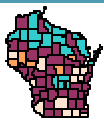
## County Civilian Labor Force

**Dane County Labor Force Age Groups**

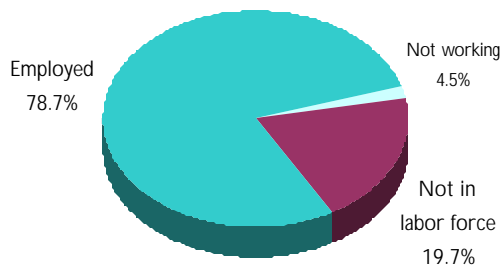


Source: US Dept. of Commerce, Census Bureau, *Census 2000*

People between the ages of 16 and 24 and those 65 or older often do not seek or engage in full time employment. Therefore, the local age distribution affects the prospects of employers seeking workers and workers scouting the competition. At first glance, the chart to the left appears to suggest a steady supply of labor in Dane County. This perception might be altered somewhat by considering that 1) people nine years old or less are less abundant in Dane than in the state or the nation (see graph above) 2) many of the 16- to 24-year-olds are in school and are not available for full time employment and 3) many who come for school do not remain. As the baby boom generation retires, it will probably demand more services (like home maintenance and personal assistance) that local college graduates have not traditionally provided.

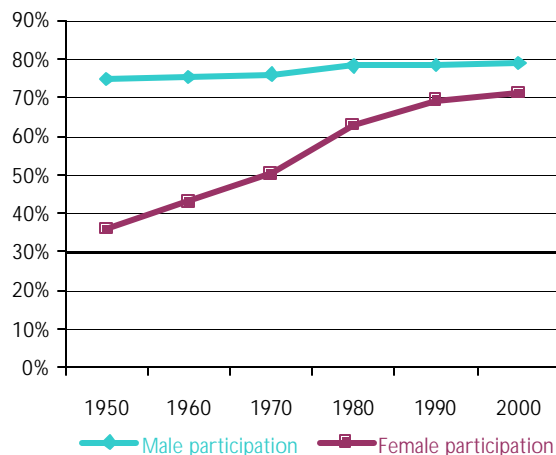


### 2001 Labor Force Participation



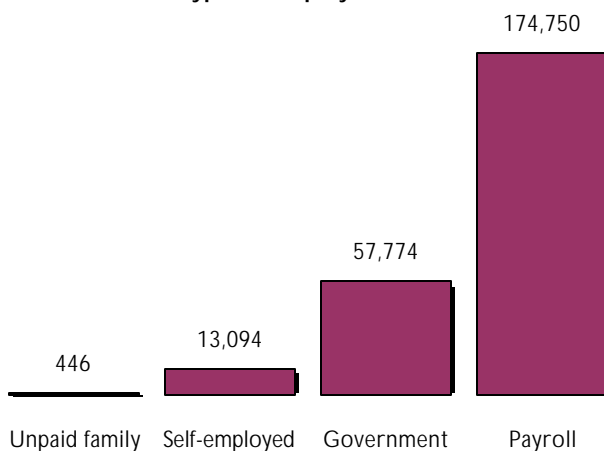
Source: Estimated from WI Dept. of Administration population estimates, Jan. 2001, US Census Bureau, and WI Local Area Unemployment Statistics.

### Labor Force Participation of Male and Female Residents



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

### Type of Employment



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

The labor force eligible population consists of civilians at least 16 years old who are not incarcerated or institutionalized. The graphs to the left and the discussion below do not address people who are not eligible. "Not in the labor force" encompasses people who are eligible but neither seek nor engage in employment. They are often students, at-home parents or retirees. The "not working" category includes people who actively seek employment and are not employed. "Employed" includes people who work, even if they consider themselves under-employed (not working enough hours or overqualified for the work they do).

In 2001, 80.3 percent of Dane County's labor force eligible population worked or sought work. This figure, (called the labor force participation rate), was much higher than the statewide rate (72.8%) and the national rate (66.9%). This represents a slight decline from Dane County's 1998 participation rate (81.8%) and the 1997 rate (82.2%).

Analyzing the 19.7 percent of the eligible residents who were "not in the labor force", it is useful to remember that 9 percent of eligible residents were between 55 and 64 years old and 12 percent were 65 or older. Of the 20 percent who are between 16 and 24 years old, many will not seek permanent full-time work until finishing high school or college. The march of the baby boom generation toward traditional retirement ages is inevitable, and the importance of education is only growing. Rising rates of retirement will reduce participation rates; rising college attendance might also.

The middle chart on the left shows that most of the increase in the participation rate between 1990 and 2000 was due to females' increasing participation. The graph begins in 1950, when male-dominated manufacturing accounted for a larger slice of the economy. As seen on the top table on page 5, manufacturing has been eclipsed by the service sector, where many occupations are now less male-dominated. Also, male workers tend to have been in the workforce longer than their female counterparts, so their wages, savings rates and pension plans are more likely to permit retirement without part-time work.

Future female participation rates are uncertain. Historic norms for the male rate may suggest that women have approached a maximum, but longer life expectancies and smaller retirement resources may keep female participation rates rising for a while.

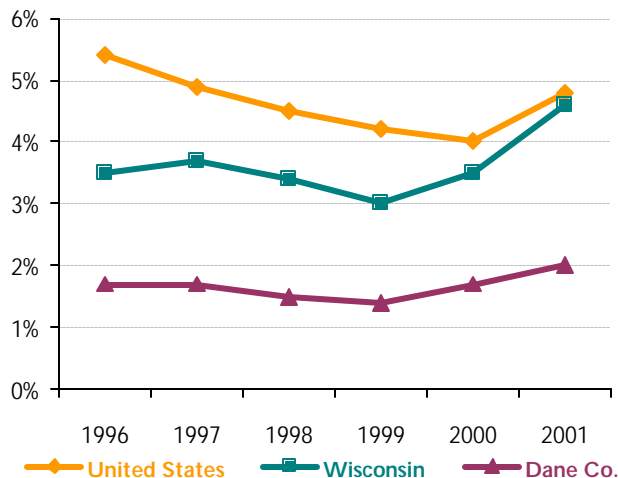


## State of Wisconsin - Dane County

In the 2000 Census, Dane County workers reported doing much the same type of work as they had in the 1990 Census, with the overwhelming majority (71%) working for private employers and receiving payroll checks. This was slightly higher than the 1990 figure (67.8%) and it was attributable to a decline in government employment (from 26.1% in 1990 to 23.5% in 2000) and a decline in self-employment (from 5.8% in 1990 to 5.3% in 2000). According to Wisconsin's Department of Workforce Development, Dane County's unemployment rate averaged 2.1 percent in 1990 and 1.7 percent in 2000. In a tightening labor market, private sector employers recruited workers more aggressively.

Dane County's unemployment rate rose in 2000 and 2001 while remaining extremely low by statewide or national standards (see chart below). Wisconsin's unemployment rate began rising sooner than the nation's. Wisconsin's manufacturing sector tends to act as a bellwether, slowing down before the rest of the economy does and picking up before other sectors recover robustly. Because Dane County is less manufacturing intensive than the rest of the state, the manufacturing slowdown did not hit it as hard.

**Unemployment Rate Comparison**

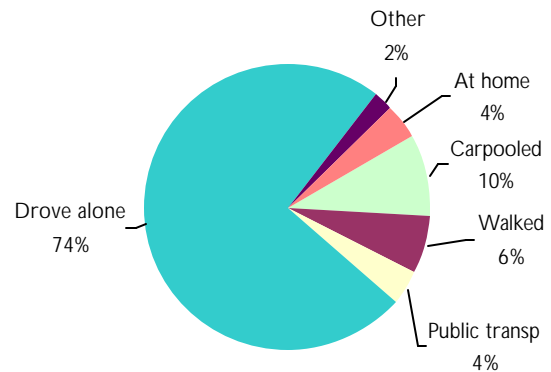


**Dane County Civilian Labor Force Data**

	1996	1997	1998	1999	2000	2001
Labor Force	257,700	259,800	261,600	258,600	263,500	272,700
Employed	253,400	255,400	257,600	255,100	259,100	267,100
Unemployed	4,290	4,460	4,030	3,540	4,370	5,560
Unemployment Rate	1.7%	1.7%	1.5%	1.4%	1.7%	2.0%

Source: WI Department of Workforce Development, Local Area Unemployment Statistics, revised March 2002

**County Travel-to-Work Patterns**



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

For all the challenges that accompany unemployment rate increases, Dane County may be more concerned with a different trend. From 1996 to 2001, its labor force grew less than 6 percent, as did the number of employed residents. (See table below.) Job growth was roughly twice as fast. (See page 5.) Inbound commuting and multiple job holding may have helped employers fill vacancies, but such trends are unlikely to permit job growth to continue at recent rates. Moreover, such trends would not necessarily foster the growth of Dane County's indigenous labor force. A jump in birth rates would take at least fifteen (perhaps over twenty) years to raise the labor force substantially and would take some parents out immediately.

Most Dane County workers drive to work. According to the 2000 Census, 74 percent drove alone and nearly 10 percent carpoolled. (See graph above) The 1990 Census reported a slightly lower rate of driving alone (68.5%) and a slightly higher rate of carpooling (13%). Roughly 95 percent of Dane County residents worked in the county where they lived (well above the 73 percent figure for the state). Four neighboring counties saw over a third of their working residents work in a county where they do not reside and two sent over 40 percent out for work.



## County Industry Employment

### Nonfarm Wage and Salary Employment

	1996	1997	1998	1999	2000	2001	Percent change	
							1 year	5 year
<b>Total</b>	261,371	267,460	275,472	282,745	288,576	294,704	2.1%	12.8%
<b>Goods Producing</b>	40,664	41,760	42,387	44,178	44,935	43,758	-2.6%	7.6%
Construction & Mining	11,710	12,351	12,773	13,896	13,829	13,323	-3.7%	13.8%
Manufacturing	28,954	29,409	29,615	30,282	31,106	30,435	-2.2%	5.1%
Durable	14,644	15,193	15,445	15,886	16,561	15,975	-3.5%	9.1%
Nondurable	14,311	14,215	14,169	14,396	14,545	14,461	-0.6%	1.0%
<b>Service Producing</b>	220,707	225,700	233,085	238,567	243,641	250,945	3.0%	13.7%
Transportation, Communications & Utilities	8,857	8,957	9,173	9,652	10,073	10,377	3.0%	17.2%
Total Trade	56,960	57,922	60,064	60,998	62,103	62,657	0.9%	10.0%
Wholesale	11,829	11,885	12,286	12,515	12,657	12,366	-2.3%	4.5%
Retail	45,130	46,037	47,779	48,483	49,446	50,291	1.7%	11.4%
Finance, Insurance, and Real Estate	20,492	21,212	22,017	22,495	21,955	22,806	3.9%	11.3%
Services & Misc.	64,819	67,676	69,983	72,336	76,105	78,701	3.4%	21.4%
Total Government	69,580	69,933	71,848	73,086	73,406	76,405	4.1%	9.8%

Source: WI Department of Workforce Development, Nonfarm wage and salary estimates, revised March 2002

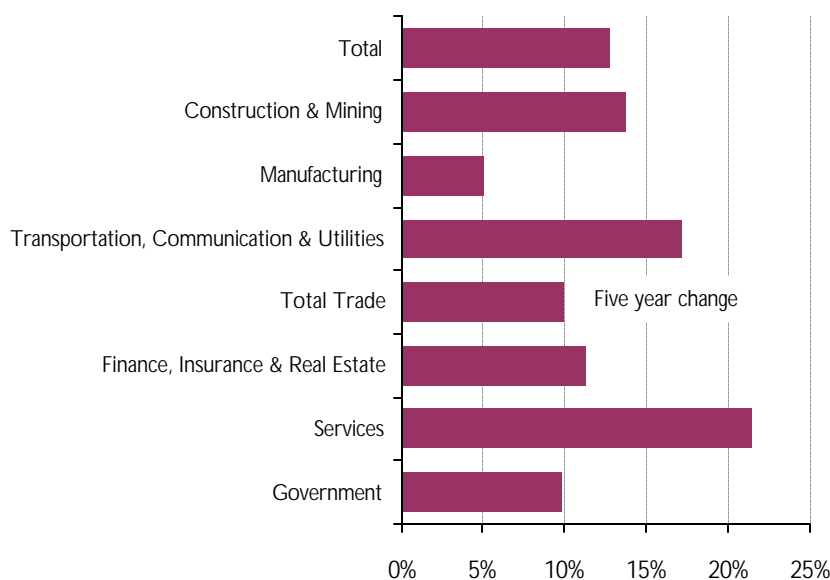
The nonfarm wage and salary employment figures above estimate the number of jobs in Dane County that are paid through standard payroll systems. Categories reflect the nature of the employer's business, not the employees' occupations. These estimates may show different trends than seen elsewhere in this profile because 1) the data sets come

from different samples and use different methodologies, 2) the number of jobs per resident can grow if multiple job holding increases, and 3) not every job in Dane County is filled by a county resident (more people commute in than commute out).

The table above shows that government employment remains an important part of Dane County's economy. It grew faster than other sectors between 2000 and 2001, perhaps reflecting increased availability of applicants or increased demand for government services during the economic slowdown. The 5-year growth rate of government employment (9.8 percent from 1996 to 2001) is well below the all-industries average (12.8 percent). The manufacturing slowdown, particularly in durable goods manufacturing employment, was felt in Dane County, but not as acutely as in other counties that relied more heavily on that sector.

The services industry continued to grow briskly at 3.4 percent. The data presented on pages 7 through 9 suggest that Dane County's service jobs are often relatively skilled professional or technical and paid accordingly, so growth in this sector can be welcomed.

### Employment Change by Industry Division: 1996 to 2001



Source: WI DWD, Nonfarm wage and salary estimates, revised March 2002



### Top 10 Employers

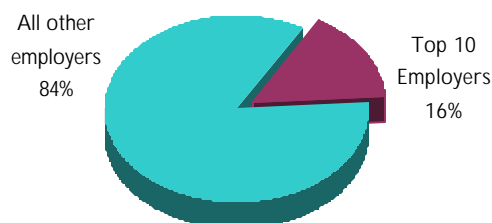
Company	Product or Service	Size
University of Wisconsin – Madison	Undergraduate, graduate and professional education	1,000+
Madison Metropolitan School District	Primary and secondary education	1,000+
Department of Health & Family Services	Health and social services	1,000+
Department of Corrections	Incarceration and probation	1,000+
American Family Mutual Insurance Co.	Insurance services	1,000+
Pleasant Company Inc.	Mail order operations	1,000+
City of Madison	Municipal government and services	1,000+
Wisconsin Physicians Service	Health care	1,000+
UW Hospitals & Clinics	Health care	1,000+

### Top 10 Industry Groups

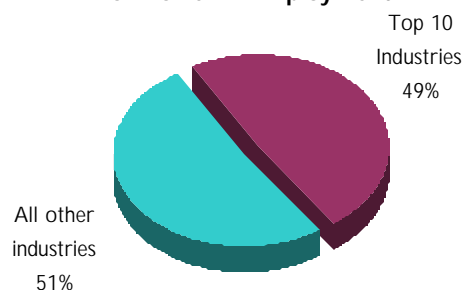
Industry Group	March 2001		Numeric change	
	Employers	Employees	1-year	5-year
Educational Services	85	31,949	690	2,493
Health Services	417	25,752	1,006	4,167
Eating and Drinking Places	656	16,395	116	412
Business Services	794	15,541	-40	2,402
Insurance Carriers	76	11,843	303	1,039
Miscellaneous Retail	468	10,001	402	1,646
Social Services	306	8,623	347	-1,140
Special Trade Contractors	729	7,860	-51	1,764
Engineering & Management Services	588	7,774	419	1,628
Wholesale Trade-Durable Goods	550	7,276	-1,302	196

\*data suppressed to maintain confidentiality

**Top 10 Employers' Share of Nonfarm Employment**



**Top 10 Industry Group Share of Nonfarm Employment**



Source: WI Department of Workforce Development, ES-202 file tape, December 2001

Many Workforce Profiles confine their listing of top 10 employers and top 10 industry groups to the private sector. Because the state government and the University of Wisconsin – Madison play key roles in Dane County's economy, public sector employment is included here as well. The area's colleges and technical schools provide education and training that workers need to pursue jobs in locally important industries such as health services, busi-

ness services, social services, and engineering and management services. The steady supply of graduates helps employers thrive and create jobs. The steady supply of students also boosts the supply of labor as well as the demand for retail and eating and drinking establishments. Falling employment in the social services sector could reflect a shift away from funding government agencies and toward outsourcing to organizations with less job security.



## State of Wisconsin - Dane County

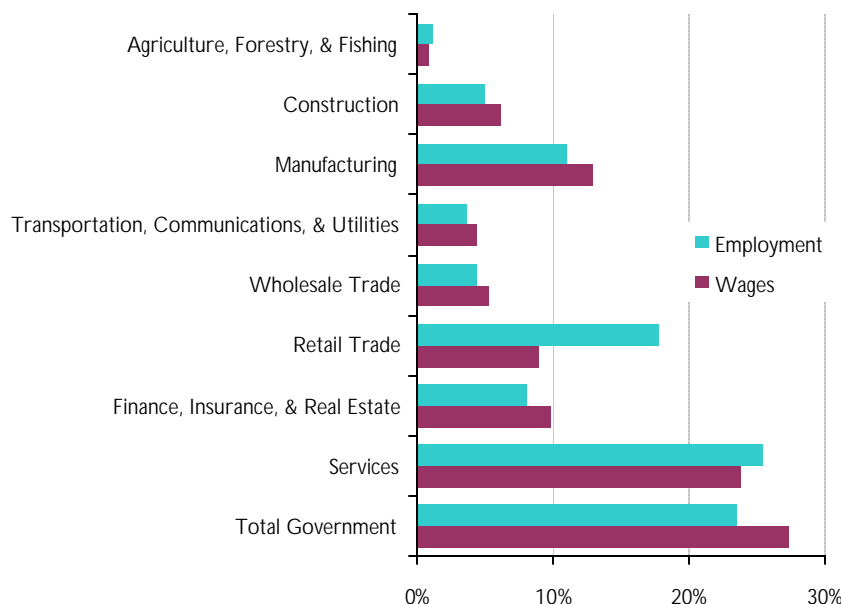
The bar chart below shows what proportion of Dane County's total employment belongs to each industry and what share of the county's total wages comes from each industry. Because a high proportion of retail jobs offer part-time schedules, it is not surprising that retail employers account for nearly 18 percent of all jobs in Dane County and about 9 percent of the wages paid by employers in the county. The services industry contributes more jobs (25%) than the government sector (24%) but its wage contribution (24%) is slightly less than that

of the government sector (27%). If long-term trends continue, services will eventually contribute more to total employment and to total wages than government.

While not as dominant as in neighboring counties, manufacturing (11 percent of employment and 13 percent of wages) still played a significant role in Dane County. In neighboring counties, the gap is closer to six or seven percentage points, rather than just two. Moreover, several neighboring counties relied on manufacturing for 25 to 35 percent of total wages, so they felt the manufacturing slowdown much more acutely, on the whole. Dane County's unemployment rates (reported on page 4) are usually the lowest in the state.

Several local factors drive the construction sector, which accounts for 5 percent of employment and 6 percent of wages. Teaching and research needs keep the University of Wisconsin-Madison building and updating facilities almost continuously. Contributing to the need for housing construction (and housing costs) are high wages (see page 9), career opportunities (see page 8), and the University's students, faculty and staff. Other recent building projects include the Overture Arts Center, the Monona Convention Center and the Kohl Center.

**2001 Employment & Wage Distribution by Industry Division**



**Annual Average Wage By Industry Division**

	Dane Co. Annual Average Wage	Wisconsin Annual Average Wage	Percent of State Average	1-year percent change	5-year percent change
All Industries*	\$ 34,126	\$ 30,922	110.4%	4.0%	25.5%
Agriculture, Forestry, & Fishing	\$ 26,796	\$ 22,565	118.8%	4.1%	23.2%
Construction	\$ 41,858	\$ 39,011	107.3%	1.8%	26.2%
Manufacturing	\$ 40,382	\$ 39,739	101.6%	4.0%	23.1%
Transportation, Communications, & Utilities	\$ 40,754	\$ 36,639	111.2%	4.2%	23.9%
Wholesale Trade	\$ 41,172	\$ 40,521	101.6%	1.4%	24.6%
Retail Trade	\$ 17,272	\$ 14,596	118.3%	4.6%	29.7%
Finance, Insurance, & Real estate	\$ 41,916	\$ 40,933	102.4%	4.5%	29.6%
Services	\$ 32,077	\$ 28,775	111.5%	6.7%	31.7%
Total Government	\$ 39,754	\$ 33,785	117.7%	3.5%	20.3%

\* Mining excluded from table since wages were suppressed to maintain confidentiality in every county

Source: WI DWD, *Employment, Wages, and Taxes Due covered by Wisconsin's U.C. Law, 2002*



## Occupation and Education Characteristics of County Population

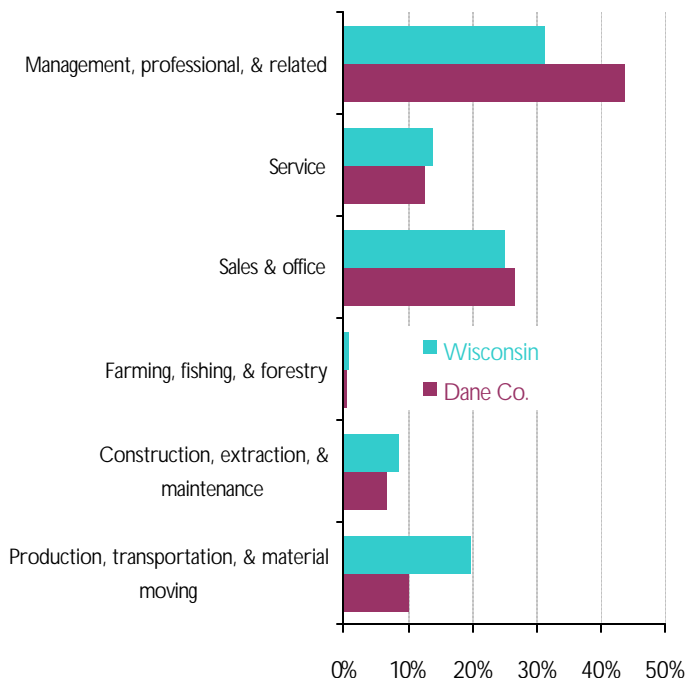
While previous sections classified jobs based on the nature of Dane County employers' businesses, this page classifies jobs by county workers' occupations. In some ways, this information lends more detailed support for earlier observations.

Among the occupational groups in the graph to the right, the largest one in Dane County is management, professional and related occupations, accounting for 44 percent of the county's workers. As in the state and the nation, this category was nearly equally divided among males and females. In Wisconsin, 78 percent of the management and professional jobs require education or training beyond high school; this approaches the national figure of 80 percent.

Nationally, nearly 16 percent of the population over 25 years old reported "Bachelor's degree" as its highest level of educational attainment. While Wisconsin nearly matched this (15%), Dane County was well above this figure (25%). (See pie chart below.) Even more pronounced was the gap between national attainment of graduate or professional degrees (9%), the state rate (7%) and Dane County's quotient (16%). While some areas seem to worry about attracting and retaining enough college graduates to appeal to white collar employers, Dane County seems to worry more about whether enough of its jobs are well suited to the students and alumni who stay.

The second largest occupational group in Dane County is sales and office, accounting for nearly 27

Employment by Occupation Group: 2000



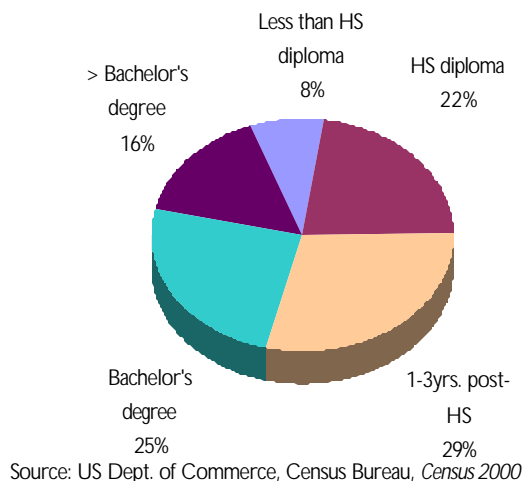
US Department of Commerce, Census Bureau, *Census 2000*

percent of workers. This is closely tracks national and statewide figures, as does the county's tendency to have more office and administrative support workers than sales and related workers.

Departing from its agricultural roots, Wisconsin reports that just under one percent of its workers are occupied in farming, fishing or forestry. The national rate is slightly lower and Dane County's rate is under half the state rate. Many rural agricultural areas once aspired to transition to industry; 13 percent of Wisconsin's workers are in production occupations, probably mostly manufacturing. This was well above the national rate (13%) and Dane County's rate (6.0%).

For all the economic advantages that Dane County offers, its example would be hard for others to follow. The state government and the University are key pillars that other communities cannot easily mimic. High school graduates' diminishing opportunities and increasing housing costs are not helped by recent focus on high technology and new economy jobs. Dane County's unique resources help it transition from an industrial society to an information society.

Education Attainment in 2000





## County Income Information

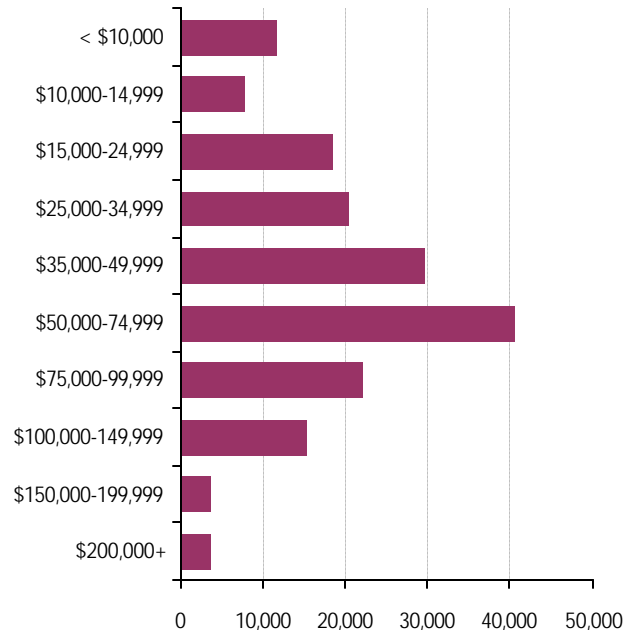
The 2000 Census reported that Dane County's median household income was \$49,223, or 12 percent above the statewide median household income. In the 1990 Census, the county reported 1989 median household income of \$32,703 or 11 percent above the statewide median at that time.

The graph to the right shows how many Dane County households fall in each income bracket. Compared to the nation and the state, a slightly greater share of Dane County's households fall in the income brackets between \$50,000 and \$149,000. In the other categories, the county's distribution is generally within two percentage points of the state's and the nation's.

Household incomes are higher than wages on page 7 because they include non-wage sources such as government benefits, pensions, investment returns and income from self-employment and proprietorships. Increases in multiple job holding can also increase income faster than the average wage per job increases. The fact that the average Dane County household contains 2.4 people also helps to boost household income higher than average wages or per capita personal income.

Dane County's total income divided by its population yielded a per capita personal income (PCPI) of \$34,301 in 2000. This was 22 percent above the statewide average PCPI (\$28,100) and nearly 13 percent above the average PCPI in Wisconsin's metropolitan counties (\$30,407).

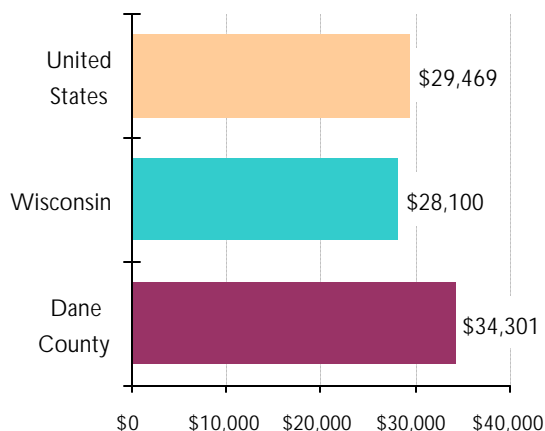
**Households by Income Range**  
Median household income in Dane Co. \$49,223



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

The graph on the bottom right shows that the nation and the state derived PCPI from different sources in relatively similar proportions. Dane County tended to rely more on net earnings (typically associated with employment) and less on transfer payments (such as Social Security and other government benefits)..

**Per Capita Personal Income 2000**



Source: US Department of Commerce, Bureau of Economic Analysis

**Components of Total Personal Income: 2000**

